

Option D Beneficiary, Section 12(2)(d)

The *Beneficiary Selection Form* allows active Members to select an eligible beneficiary to receive a monthly allowance under Section (12(2)(d) [Option D] if the Member dies before retirement and to select a beneficiary(ies) to receive lump sum payment of accumulated deductions under Section 11(2) if the Member dies before retirement.

The Option D allowance is a lifetime benefit. Only certain relatives qualify as an eligible beneficiary under Section 12(2)(d), your spouse, parent, sibling, child or former spouse who has not remarried. You can only select (1) one person.

The Option D provides your designated beneficiary with the monthly retirement allowance equal to the Option C retirement allowance had you retired on the date of death.

In the event you die before reaching age 55, your designated beneficiary is entitled to receive the Option C allowance you would have been entitled to receive had you attained age 55, and retired on the date of death.

Active Member Beneficiary Selection Form

The purpose of the Beneficiary Selection Form is to allow members to select an eligible beneficiary to receive an allowance or to select one or more beneficiaries to receive payment of accumulated deductions and other payments due to a member in the event the member dies before retirement.

There are two types of benefits that can be paid to your beneficiary/beneficiaries:

1. Lump sum return of total accumulated deductions under the provisions of M.G.L. c. 32, § 11(2)

- a. There are no restrictions on who may be named as your lump-sum beneficiary or beneficiaries. You also may name more than one person or entity (for example: a trust or an estate). If you name more than one beneficiary or entity, please specify the percentage you would like given to each named person/entity and that the percentage total equals 100%. If no percentage is indicated, the lump sum return of accumulated deductions will be disbursed evenly to the named beneficiaries.
- b. Types of payments covered under the § 11(2) benefit include:
 - i. Payment of the accumulated deductions credited to a member's account in the annuity savings fund at the date of death when the member's death occurs prior to his/her retirement;
 - ii. Amount of any un-cashed checks payable to a member at his or her death.
- c. *Please provide the relationship and date of birth for each named beneficiary/beneficiaries.*

2. Monthly lifetime payment of a pension benefit 12(2)(d), referred to as "Option D survivor benefit"

- a. Members may only designate one (1) eligible beneficiary under G.L. c. 32, § 12(2)(d)
- b. Eligible beneficiary is limited to: Parent, Sibling, Spouse, Former Spouse who has not remarried, or a Child;
- c. The Option D benefit is equal to the Option (C) retirement allowance which would otherwise have been payable to the member in the event that the member dies before being retired.

Please note the following:

- Your selection on this form may be superseded by an eligible spouse under the provision of G.L. c. 32, § 12(2)(d) if you die before retirement, even if your spouse is not designated anywhere on the beneficiary form.

A member's spouse may elect to receive an Option D benefit if the member dies as a member in service and has not nominated any Option D beneficiary, or has nominated someone other than the spouse as Option D beneficiary; and has been married to the spouse for at least one year and with at least 2 years of creditable service; living with the spouse at the time of death.

- You may choose to have: a lump sum beneficiary/beneficiaries, an "Option D" beneficiary, or both:
 - If both sections are completed, the provisions of G.L. c. 32, § 12(2)(d) "Option D" will supersede the provisions of G.L. c. 32, § 11(2).
 - A person cannot be named as both your §11(2), lump sum beneficiary, and §12(2)(d) beneficiary, Option D/Survivor beneficiary.
- The beneficiary form becomes void upon your retirement.
- The right to change any beneficiary anytime is reserved. If you divorce or your personal situation changes, you should file a new beneficiary form with the Somerville Retirement Office.
- If you wish to name a beneficiary under the age of 18, please provide a guardian/custodian for this beneficiary.
- Forms with corrections or erasures will not be accepted. Forms without required signatures will not be accepted.
- Persons designated as a beneficiary cannot be a witness to your signature.